

**MINUTES  
VENDOR ADVISORY COMMITTEE  
August 4, 2009**

**Members Present:** Mike Masters, Gladys House, P.D. Morrison (represented by proxy Ashlin Gunter), Diana Keller, Roy Mata, Nancy Evans, Arlene Dillworth, Ken Sorley, Ron Pigott (non-voting), Paul Gibson (non-voting)

**Members Absent:** Greg Alexander

**Staff Present:** Ron Pigott, David Duncan, Paul Gibson, Kristine Brock, Valerie Simpson, Chuks Amajor, Woody Fluharty, Margaret Longest, Mark KasPar, Manuel Perez, Cathy Navarro, Dee Dorsey, Kit von Wupperfeld

**Others Present:** Ashlin Gunter (for P.D. Morrison), Dave Horton (Strategic Partnerships), Steve Schrom (Telicon), Gilbert Benavides (Titan Solutions), Meg Ayers (Titan Solutions), Kyle Radford (TIBH), Limas Jefferson (Jefferson Associates, Inc.), Margie Moore (Jefferson Associates, Inc.), Rick Watson (NOTE: Not all visitors signed in; some names may be missing).

The meeting was called to order by Chair Mike Masters at 1:05 p.m. All present introduced themselves.

Minutes of the May 5 meeting were approved unanimously.

**Item 4 – Subcommittee Reports from the Historically Underutilized Businesses (HUB) Subcommittee and the Public Outreach and Communications Subcommittee**

Gladys House reported that there is a public hearing sponsored by the Texas Legislative Black Caucus on disparity of black businesses that will be held in Houston on September 8, 2009 at the Texas Southern University at 10 a.m. Ms. House said she would send information by email to all of the VAC members.

Arlene Dillworth reported that the two documents for recruiting new VAC members and publicizing what the VAC does have been approved by the CPA. She will turn them in electronically so they can be distributed, and Committee members can share them with others as they conduct business. Possible industries not currently represented on the VAC are food, road aggregate, professional services, and pharmaceuticals. Ron Pigott will let Mike Masters know of specific industries and “key players”. Interested potential members should contact Ron Pigott.

**Item 5 – Legislative Wrapup Regarding State Procurement, State Contracting and the HUB Program**

Ron Pigott reported on the legislative bills that impacted statewide procurement and contracting. He distributed a spreadsheet showing bills which might have an impact, such as purchasing preferences, creation of Texas Department of Motor Vehicles, and raising the amount requiring a competitive bid for local government purchases from \$25,000 to \$50,000.

**Item 6 – Update on Other Governmental Entity Meetings Attended by VAC Members Related to State Procurement**

Mike Masters was unable to attend the DIR meeting. He moved, and Gladys House seconded, that the standing agenda item, **Update on Other Governmental Entity Meetings Attended by VAC Members Related to State Procurement**, be removed. Motion passed.

**Item 7 – Request for Input from VAC Members on the Following Items:**

- **Reasonable amount of time needed for bid submittal after pre-bid conference and Q/A posting**
  - **The updated VAC website**
  - **How to gather vendor input before drafting a solicitation**
  - **Combined HUB/CMBL application**
  - **Acceptance of electronic Purchase Orders**
  - **Feedback regarding development and sources of specifications**
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- Bid submittal time – The VAC members and others attending the meeting stated that after the CPA posts the Questions & Answers on the ESBD, they need up to 45 days to prepare their Responses, especially if Answers significantly change the RFP - 45 days will enable Primes to research HUBs and for HUBs to provide quotes for subcontracting.
  - Updated VAC Website – It was suggested that the Web page have a place for the public to contact VAC members. It was also recommended that the CPA add a sentence regarding recruitment of new VAC members. The VAC would also like any search on doing business with the state to provide the VAC page in the search results. Lastly, it was recommended that the page include links to chambers of commerce, forums, business associations.
  - Gathering vendor input pre-solicitation/feedback regarding development and sources of specifications – current law says a firm cannot take money from the State to help develop specifications and then bid on the solicitation. Current pre-proposal meetings do not always provide TPASS with the needed information, as firms do not want to give away their strategy. Possibilities mentioned were use of surveymonkey, requesting input through a webinar, and posting RFI asking for input by an established date.
  - HUB/CMBL certification form – Paul Gibson showed the VAC the new, combined application form online for HUB and CMBL registration. Discussion included the requirement for a HUB subcontracting plan if the prime is a HUB. There are no exceptions under the law; all primes, including HUB primes, with projects of \$100,000 or more must file a HUB Subcontracting Plan.
  - Electronic purchase orders – initially there were concerns regarding the lack of a signature on the electronic POs. The signature was left off for security purposes (identity theft). Vendors are receiving the PO's, more quickly, but PDF's are not always complete.

**Item 8 – Status of Strategic Sourcing Contract for Office Supplies**

Chuks Amajor reported that Strategic Sourcing Division is working on a core list of items for the Office Supplies RFP. A draft should be available within a couple of months.

**Item 9 – Operation and Effect of the NIC/Acquisition of the Texas Electronic Framework Agreement/Deloitte Consulting/Bearing Point and how these groups will operate in the current framework**

Ron Pigott reported that when BearingPoint went into bankruptcy, the company was split. Deloitte Consulting purchased the government sector portion, and sold the TxSmartBuy contract to NIC. Term and TXMAS contracts are still being loaded to TxSmartBuy, but the number of people assigned to finish the project has doubled. By September 1, this should be complete,

except for a few TxMAS contracts. NIC sent out invoices for the administrative fees; there were formatting problems, but they are almost resolved. More training webinars for users are planned; 189 people participated in the first one.

**Item 10 – TPASS’ strategic direction re: the use of Term, TxMAS and Strategic Sourcing Contracts**

Chuks Amajor pointed out that strategic sourced contracts are term contracts, but the anticipated dollar volume determines if they go through the strategic sourcing process. TPASS is moving toward establishing more term contracts, many of which had lapsed under TBPC. TBPC had relied heavily on TXMAS contracts, but the state does not control when prices change under those contracts. Therefore, the CPA is putting more emphasis on developing term contracts. Under the CPA’s stewardship, more analysis of TXMAS applications is conducted to determine if a term contract with the same items already exists; if so, the application may be rejected. Inactive TXMAS contracts, and those with vendors who are unresponsive and/or not filing required reports, are being closed out.

**Item 11 – Report of the Chairman on assessment of the VAC, its goals and measurable objectives, as required by 34 TAC §20.52(d)(2), and discussion and possible action on the report**

Mike Masters presented his draft report to the TPASS Director, which summarized accomplishments based on the minutes from the six (6) meetings conducted. The report was approved by the VAC and submitted to Ron Pigott at the meeting.

**Item 12 – Discussion and possible action on the annual review of the VAC as required by 34 TAC §20.52(d)(2), and recommendations for the future direction and continuance of the committee for the fiscal year**

Mike Masters stated he is pleased with the VAC’s progress. He would like to see more subcommittee activity, and more input from members and the community that will help enhance the procurement process. Ron Pigott said such input benefits TPASS, and he considers it a “focus group” on how procurement is working. In the next fiscal year, the disparity study will be completed, and he would like the VAC to review it. Also, use of the Impala application will be discontinued. Gladys House mentioned that the HUB and outreach subcommittees are vital to obtaining more input. Diana Keller said that even with the obstacles of implementing a new online system, tremendous efforts and progress have been made.

**Item 13 – Public Comment**

Limas Jefferson of Jefferson Associates, Inc. spoke about getting HUB vendors “matched up” with primes, and the need to work on growing HUB businesses, including capitalization. Obtaining equity capital is critical, and provides an opportunity to invest in small business.

**Item 14 – Future Agenda Items**

Mike Masters mentioned the need for more mentor/protégé programs, even if informal, and suggested it as a discussion item for the next agenda.

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A question was asked about open meetings on the disparity study; these will be scheduled later this month in several cities around the state.

The meeting was adjourned by Mike Masters at 3:10 p.m.

Next meeting: November 3, 2009 at 1 p.m.